VALUE CONCEPTS OFFICE EXCEEDS COMMAND GOALS JAN '01
submitted by: Value Concepts Office

Fiscal Year 2000 has marked another banner year for the Team C4IEWS Value Engineering (VE) Program. The CECOM Value Concepts Office (VCO) proudly announces that Team C4IEWS has once again exceeded its yearly goal for VE savings; our Fiscal Year 2000 (FY00) goal was $53.4M. Documented/validated savings achieved totaled $54.64M, 102% of the VE goal. The total savings were a result of 27 in-house Value Engineering Proposals (VEPs) and one contractor-submitted Value Engineering Change Proposal (VECP) settlement.

VE is a systematic and creative effort to analyze functions of systems, products, specifications, practices and or processes which lead to actions or recommendations to improve the value of systems, equipment, facilities, services and supplies. The success of CECOM's aggressive and dynamic VE Program is a reflection of the facilitation of the Value Methodology Workshop Initiative. This initiative continues to generate enormous savings for the government and promote the use of the VE methodology in both traditional and non-traditional areas to include organizational planning, hardware redesign, operating procedures, maintenance and readiness improvement, and specification and requirement development. One workshop generated ideas that resulted in a redesign to reduce nearly $50M in production costs for the Firefinder Program during its planned 6-year production period. Another workshop resulted in ideas that will reduce warranty costs, optimize test procedures, miniaturize circuit card design, and minimize schedule risk for the Joint Tactical Terminal (JTT) Program. In addition to the workshop successes, several value analysis studies, which produced VEPs for Fiscal Year 2000, greatly contributed toward the success of the VE Program.

One study located and qualified new sources for tactical fiber optic cable assemblies. The cable assemblies are unique and required special fabrication and production capabilities. This study eliminated a sole source situation and resulted in savings of $3.9M.

Another study sought alternatives to relieve the shortage of the RT-1411A receiver-transmitter (used in all modern rotary wing Army aircraft). It was found that one of the components of the RT-1115C/D receiver-transmitters was equivalent to the RT-1411 ($11,025 per unit). Since the RT-1115C/D was in an excess position, a program was established to salvage and overhaul the equivalent part of the RT-1115 ($1,000 per unit). This substitution of parts saved $2.2M.

A study was also performed on the gyroscope repair program. The team found that to buy new gyroscopes at $5,000 each would be extremely costly considering the old gyroscopes were considered scrap only because they could not be repaired due to non-availability of the stator. An alternate supply source for the stators was found at a cost of $750 ea with a one-year warranty. This allows the old gyroscopes to be salvaged, rather than scrap otherwise functional gyroscopes, and saves acquisition time and O&S dollars. Savings amounted to $3.42M.

An additional study investigated reducing the acquisition cost of the Battlefield Combat Identification System (BCIS) program by changing the acquisition strategy from a one-year Production Contract with three one-year options to a three-year Multi-Year Contract with one option year contract. Multi-year contracting provides a more efficient and effective material purchasing, manufacturing support and program management plan resulting in a lower BCIS unit price. Savings amounted to $3.95M.

As the result of another study, an alternative way to manually test and troubleshoot circuit card assemblies (CCAs) has been adopted by Tobyhanna Army Depot (TYAD). TYAD has initiated the use of automatic test equipment during the overhaul process. A total of 7,522 circuit cards will be repaired each year from four CECOM-managed systems utilizing the automated trouble-shooting process to reduce test costs and efforts significantly. Savings amounted to $3.96M.

In the words of Mr. Anthony LaPlaca, Director of the Logistics and Readiness Center: "The Army Value Engineering Program, through its use of Value Methodology and VE Workshops, has a long tradition of saving money. In FY00 alone, the savings just within Team C4IEWS was over $54 million. That's a pretty significant impact and translates directly to improved readiness in our Army. There are plenty of additional opportunities out there, in all phases of a program's life cycle. We need to continue going after them aggressively, whether encouraging contractor submissions, or by doing our own in-house studies!"

The VCO would like to express its sincere appreciation to all of those who contributed in a variety of ways to the achievement of this goal: Dan Schwartz, Bob Vella, Charles Alcott, Joseph Donato, and Mike Ryskamp, LRC Communications Directorate; Charles Rigoglioso, Mike Linkletter, Ken Shedlock, Brenda Eichorn, Bill Pardy, Skip Rummel, Cindy Fox, LRC Command Control Systems (CCS)/Avionics Directorate; Ed Seamans, Phil Meltesen, Leslie Malone, and Mike Siliato, LRC Intelligence /Electronic Warfare (IEW) Directorate; Gary Ott, Paul Proulx, and Linda Beltran, LRC Logistics and Engineering Operations (LEO) Directorate; Jose Del Rosario, Barron Williams, and Mike Carter, LRC Readiness Directorate; Mike Maier, Ft Monmouth Garrison, Directorate of Public Works (DPW); Sharon Smith, Tobyhanna Army Depot; Al Gipson, Jerry Zelazny, Ron Geller, and Sam Fisher, LRC, CECOM Communications Security Logistics Activity (CSLA), Fort Huachuca; Bob Grady and Don Blue, PM Tactical Radio Communication Systems (TRCS); Wayne Calabretta, PM Combat Identification (ID); Ron Schaefer, PM Common Ground Station/Joint Tactical Terminal (CGS/JTT); Mike Madden and Bill Van Meerbeke, Systems Management Center (SMC), PM Firefinder.

We will now begin the challenge once again as our FY01 VE goal has been established at $55M. If you have any questions regarding Value Engineering or VE workshops, please call the Value Concepts Office POCs: Giuseppe Sgroi, x22810; Andy Lee, x22318; or Cynthia Lovekin, x21604. They will be happy to assist you in any way possible.